NEW SOURCE CONSTRUCTION PERMIT
and MINOR SOURCE OPERATING PERMIT
OFFICE OF AIR QUALITY
and Anderson Office of Air Management

Delco Remy America, LLC
7825 American Way
Anderson, Indiana 46013

(herein known as the Permittee) is hereby authorized to construct and operate subject to the conditions contained herein, the emission units described in Section A (Source Summary) of this permit.

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, , 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

Operation Permit No.: MSOP 095-14815-00105	
Issued by: Original signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: November 8, 2001

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SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) and Anderson Office of Air Management . The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]

The Permittee owns and operates a stationary source that assembles offsite manufactured armatures, field coils, housing and solenoid to form the heavy and light duty starter motors.

Authorized Individual:	Eric Coates
Source Address:	7825 American Way, Anderson, Indiana 46013
Mailing Address:	2902 Enterprise Drive, Anderson, Indiana 46013
Phone Number:	(765) 779 5550
SIC Code:	3714
County Location:	Madison
County Status:	Attainment for all criteria pollutants
Source Status:	Minor Source Operating Permit Minor Source, under PSD Rules;

A.2 Emissions units and Pollution Control Equipment Summary

This stationary source is approved to construct and operate the following emissions units and pollution control devices:

(a) New Equipment:

(1) One (1) 26/30 Alternators Dip Tank, identified as E-7 capable of coating a maximum of 100 parts per hour;

(2) One (1) 33/34 Alternators Dip Tank, identified as E-8 capable of coating a maximum of 600 parts per hour;

(3) One (1) Rotors Flowcoater, identified as E-9 with a maximum capacity of 4,000 pounds of parts per hour, equipped with an electric drying oven rated at 72 kilowatts (KW);

(4) One (1) Field Coils Flowcoater, identified as E-10 with a maximum capacity of 590 pounds of parts per hour, equipped with an electric drying oven rated at 72 KW;

(5) One (1) Stators Flowcoater, identified as E-11 with a maximum capacity of 320 pounds of parts per hour, equipped with an electric drying oven rated at 72 KW;

(6) One (1) 50 DN Stators Dip Tank, identified as E-12 capable of coating a maximum of 100 parts per hour;

(7) One (1) electric 50 Stator DN Oven, identified as E-16 rated at 24 KW;

(8) One (1) electric 33/34 Rotor Oven, identified as E-17 rated at 45 KW;

(9) Welding Operation which consists of four (4) metal inert gas (MIG) welding stations, capable of using a total of 2.8 pounds of weld wire per hour; two (2) stick welding stations capable of using 1.74 pounds of weld wire per hour; and three

(3) oxyacetylene flame cutting with a total cutting rate of 25 inches per minute.

(b) Existing Permitted Equipment:

(1) Ten (10) natural gas-fired space heaters, with a total heat input rating of 7.4 million British Thermal Units per hour (mmBtu/hr).

(2) One (1) 50 MT Starters Dip Tank, identified as E-13, capable of coating a maximum of 1,020 parts per hour;

(3) One (1) 50 MT Starters Field and Frame Dip Tank, identified as E-14, capable of coating a maximum of 1,020 parts per hour; and

(4) One (1) 50 MT Starters Field Frame Painting, identified as E-15, capable of coating a maximum of 1,020 parts per hour.

A.3 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is not required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

(a) It is not a major source, as defined in 326 IAC 2-7-1(22);

SECTION B GENERAL CONSTRUCTION CONDITIONS

THIS SECTION OF THE PERMIT IS BEING ISSUED UNDER THE PROVISIONS OF 326 IAC 2-1.1 AND 40 CFR 52.780, WITH CONDITIONS LISTED BELOW.

B.1 Permit No Defense [IC 13]

This permit to construct does not relieve the Permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

B.2 Definitions

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, any applicable definitions found in IC 13-11, 326 IAC 1-2, and 326 IAC 2-1.1-1 shall prevail.

B.3 Effective Date of the Permit [IC13-15-5-3]

Pursuant to IC 13-15-5-3, this permit becomes effective upon its issuance.

B.4 Revocation of Permits [326 IAC 2-1.1-9(5)]

Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), the Commissioner may revoke this permit if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

B.5 Modification to Permit [326 IAC 2]

Notwithstanding the Section B condition entitled “Minor Source Operating Permit”, all requirements and conditions of this construction permit shall remain in effect unless modified in a manner consistent with procedures established for modifications of construction permits pursuant to 326 IAC 2 (Permit Review Rules).

B.6 Minor Source Operating Permit [326 IAC 2-6.1]

This document shall also become a minor source operating permit pursuant to 326 IAC 2-6.1 when, prior to start of operation, the following requirements are met:

(a) The attached Affidavit of Construction shall be submitted to the Office of Air Quality (OAQ), Permit Administration & Development Section.

(1) If the Affidavit of Construction verifies that the facilities covered in this Construction Permit were constructed as proposed in the application, then the facilities may begin operating on the date the Affidavit of Construction is postmarked or hand delivered to IDEM.

(2) If the Affidavit of Construction does not verify that the facilities covered in this Construction Permit were constructed as proposed in the application, then the Permittee shall receive an Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section prior to beginning operation of the facilities.

(b) If construction is completed in phases; i.e., the entire construction is not done continuously, a separate affidavit must be submitted for each phase of construction. Any permit conditions associated with operation start up dates such as stack testing for New Source Performance Standards (NSPS) shall be applicable to each individual phase.

(c) Upon receipt of the Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section, the Permittee shall attach it to this document.

(d) The operation permit will be subject to annual operating permit fees pursuant to 326 IAC 2-1.1-7(Fees).

(e) Pursuant to 326 IAC 2-6.1-7, the Permittee shall apply for an operation permit renewal at least ninety (90) days prior to the expiration date established in the validation letter. If IDEM, OAQ, and Anderson Office of Air Management upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied. The operation permit issued shall contain as a minimum the conditions in Section C and Section D of this permit.

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

C.1 PSD Minor Source Status [326 IAC 2-2] [40 CFR 52.21]

a) The total source potential to emit of volatile organic compounds is less than 250 tons per year. Therefore the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 will not apply.

C.2 Preventive Maintenance Plan [326 IAC 1-6-3]

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMP) after issuance of this permit, including the following information on each emissions unit:

(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;

(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions;

(3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

(b) The Permittee shall implement the Preventive Maintenance Plans as necessary to ensure that failure to implement the Preventive Maintenance Plan does not cause or contribute to a violation of any limitation on emissions or potential to emit.

(c) PMP's shall be submitted to IDEM, OAQ, and Anderson Office of Air Management upon request and shall be subject to review and approval by IDEM, OAQ, and Anderson Office of Air Management. IDEM, OAQ, and Anderson Office of Air Management may require the Permittee to revise its Preventive Maintenance Plan whenever lack of proper maintenance causes or contributes to any violation.

C.3 Permit Revision [326 IAC 2-5.1-3(e)(3)] [326 IAC 2-6.1-6]

(a) The Permittee must comply with the requirements of 326 IAC 2-6.1-6 whenever the Permittee seeks to amend or modify this permit.

(b) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

and

Anderson Office of Air Management
120 East 8th Street
Anderson, Indiana 46011

Any such application should be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1.

(c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a notice-only change. [326 IAC 2-6.1-6(d)]

C.4 Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, Anderson Office of Air Management, and U.S. EPA, or an authorized representative to perform the following:

(a) Enter upon the Permittee's premises where a permitted source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;

(b) Have access to and copy, at reasonable times, any records that must be kept under this title or the conditions of this permit or any operating permit revisions;

(c) Inspect, at reasonable times, any processes, emissions units (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit or any operating permit revisions;

(d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and

(e) Utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

C.5 Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]

Pursuant to [326 IAC 2-6.1-6(d)(3)] :

(a) In the event that ownership of this source is changed, the Permittee shall notify IDEM, OAQ, Permits Branch and Anderson Office of Air Management within thirty (30) days of the change.

(b) The written notification shall be sufficient to transfer the permit to the new owner by an notice-only change pursuant to 326 IAC 2-6.1-6(d)(3).

(c) IDEM, OAQ, and Anderson Office of Air Management shall issue a revised permit.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

C.6 Permit Revocation [326 IAC 2-1-9]

Pursuant to 326 IAC 2-1-9(a)(Revocation of Permits), this permit to construct and operate may be revoked for any of the following causes:

(a) Violation of any conditions of this permit.

(b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.

(c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.

(d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.

(e) For any cause which establishes in the judgment of IDEM and Anderson Office of Air Management, the fact that continuance of this permit is not consistent with purposes of this article.

C.7 Opacity [326 IAC 5-1]

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

(a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

(b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

C.8 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

Testing Requirements

C.9 Performance Testing [326 IAC 3-6]

(a) Compliance testing on new emissions units shall be conducted within 60 days after achieving maximum production rate, but no later than180 days after initial start-up, if specified in Section D of this approval. All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

and

Anderson Office of Air Management
120 East 8th Street
Anderson, Indiana 46011

no later than thirty-five (35) days prior to the intended test date. The Permittee shall submit a notice of the actual test date to the above address so that it is received at least two weeks prior to the test date.

(b) All test reports must be received by IDEM, OAQ and Anderson Office of Air Management within forty-five (45) days after the completion of the testing. An extension may be granted by the IDEM, OAQ, and Anderson Office of Air Management, if the source submits to IDEM, OAQ, a reasonable written explanation within five (5) days prior to the end of the initial forty-five (45) day period.

The documentation submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

Compliance Monitoring Requirements

C.10 Compliance Monitoring [326 IAC 2-1.1-11]

Compliance with applicable requirements shall be documented as required by this permit. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. All monitoring and record keeping requirements not already legally required shall be implemented when operation begins.

C.11 Monitoring Methods [326 IAC 3]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, or other approved methods as specified in this permit.

C.12 Actions Related to Noncompliance Demonstrated by a Stack Test

(a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected emissions unit while the corrective actions are being implemented. IDEM, OAQ shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit a description of additional corrective actions taken to IDEM, OAQ within thirty (30) days of receipt of the notice of deficiency. IDEM, OAQ reserves the authority to use enforcement activities to resolve noncompliant stack tests.

(b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAQ may extend the retesting deadline. Failure of the second test to demonstrate compliance with the appropriate permit conditions may be grounds for immediate revocation of the permit to operate the affected emissions unit.

The documents submitted pursuant to this condition do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

Record Keeping and Reporting Requirements

C.13 Malfunctions Report [326 IAC 1-6-2]

Pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

(a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.

(b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.

(c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).

(d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

C.14 Monitoring Data Availability [326 IAC 2-6.1-2] [IC 13-14-1-13]

(a) With the exception of performance tests conducted in accordance with Section C-Performance Testing, all observations, sampling, maintenance procedures, and record keeping, required as a condition of this permit shall be performed at all times the equipment is operating at normal representative conditions.

(b) As an alternative to the observations, sampling, maintenance procedures, and record keeping of subsection (a) above, when the equipment listed in Section D of this permit is not operating, the Permittee shall either record the fact that the equipment is shut down or perform the observations, sampling, maintenance procedures, and record keeping that would otherwise be required by this permit.

(c) If the equipment is operating but abnormal conditions prevail, additional observations and sampling should be taken with a record made of the nature of the abnormality.

(d) If for reasons beyond its control, the operator fails to make required observations, sampling, maintenance procedures, or record keeping, reasons for this must be recorded.

(e) At its discretion, IDEM and Anderson Office of Air Management may excuse such failure providing adequate justification is documented and such failures do not exceed five percent (5%) of the operating time in any quarter.

(f) Temporary, unscheduled unavailability of staff qualified to perform the required observations, sampling, maintenance procedures, or record keeping shall be considered a valid reason for failure to perform the requirements stated in (a) above.

C.15 General Record Keeping Requirements [326 IAC 2-6.1-2]

(a) Records of all required monitoring data and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years and available upon the request of an IDEM, OAQ, and Anderson Office of Air Management representative. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or Anderson Office of Air Management makes a written request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or Anderson Office of Air Management within a reasonable time.

(b) Records of required monitoring information shall include, where applicable:

(1) The date, place, and time of sampling or measurements;

(2) The dates analyses were performed;

(3) The company or entity performing the analyses;

(4) The analytic techniques or methods used;

(5) The results of such analyses; and

(6) The operating conditions existing at the time of sampling or measurement.

(c) Support information shall include, where applicable:

(1) Copies of all reports required by this permit;

(2) All original strip chart recordings for continuous monitoring instrumentation;

(3) All calibration and maintenance records;

(4) Records of preventive maintenance shall be sufficient to demonstrate that failure to implement the Preventive Maintenance Plan did not cause or contribute to a violation of any limitation on emissions or potential to emit. To be relied upon subsequent to any such violation, these records may include, but are not limited to: work orders, parts inventories, and operator's standard operating procedures. Records of response steps taken shall indicate whether the response steps were performed in accordance with the Compliance Response Plan required by Section C - Compliance Monitoring Plan - Failure to take Response Steps, of this permit, and whether a deviation from a permit condition was reported. All records shall briefly describe what maintenance and response steps were taken and indicate who performed the tasks.

(d) All record keeping requirements not already legally required shall be implemented when operation begins.

C.16 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

(a) To affirm that the source has met all the compliance monitoring requirements stated in this permit the source shall submit a Semi-annual Compliance Monitoring Report. Any deviation from the requirements and the date(s) of each deviation must be reported. The Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

and

Anderson Office of Air Management
120 East 8th Street
Anderson, Indiana 46011

(c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and Anderson Office of Air Management on or before the date it is due.

(d) Unless otherwise specified in this permit, any semi-annual report shall be submitted within thirty (30) days of the end of the reporting period. The reports do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(e) All instances of deviations must be clearly identified in such reports. A reportable deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit or a rule. It does not include:

(1) An excursion from compliance monitoring parameters as identified in Section D of this permit unless tied to an applicable rule or limit; or

(2) A malfunction as described in 326 IAC 1-6-2; or

(3) Failure to implement elements of the Preventive Maintenance Plan unless lack of maintenance has caused or contributed to a deviation.

(4) Failure to make or record information required by the compliance monitoring provisions of Section D unless such failure exceeds 5% of the required data in any calendar quarter.

A Permittee's failure to take the appropriate response step when an excursion of a compliance monitoring parameter has occurred or failure to monitor or record the required compliance monitoring is a deviation.

(f) Any corrective actions or response steps taken as a result of each deviation must be clearly identified in such reports.

(g) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period.

C.17 Annual Notification [326 IAC 2-6.1-5(a)(5)]

(a) Annual notification shall be submitted to the Office of Air Quality stating whether or not the source is in operation and in compliance with the terms and conditions contained in this permit.

(b) Noncompliance with any condition must be specifically identified. If there are any permit conditions or requirements for which the source is not in compliance at any time during the year, the Permittee must provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be, achieved. The notification must be signed by an authorized individual.

(c) The annual notice shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in the format attached no later than March 1 of each year to:

Compliance Data Section, Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, IN 46206-6015

and

Anderson Office of Air Management
120 East 8th Street
Anderson, Indiana 46011

(d) The notification shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and Anderson Office of Air Management on or before the date it is due.

SECTION D.1 EMISSIONS UNIT OPERATION CONDITIONS

(a) New Equipment:

(1) One (1) 26/30 Alternators Dip Tank, identified as E-7 capable of coating a maximum of 100 parts per hour;

(2) One (1) 33/34 Alternators Dip Tank, identified as E-8 capable of coating a maximum of 600 parts per hour;

(3) One (1) Rotors Flowcoater, identified as E-9 with a maximum capacity of 4,000 pounds of parts per hour, equipped with an electric drying oven rated at 72 kilowatts (KW);

(4) One (1) Field Coils Flowcoater, identified as E-10 with a maximum capacity of 590 pounds of parts per hour, equipped with an electric drying oven rated at 72 KW;

(5) One (1) Stators Flowcoater, identified as E-11 with a maximum capacity of 320 pounds of parts per hour, equipped with an electric drying oven rated at 72 KW;

(6) One (1) 50 DN Stators Dip Tank, identified as E-12 capable of coating a maximum of 100 parts per hour;

(7) One (1) electric 50 Stator DN Oven, identified as E-16 rated at 24 KW;

(8) One (1) electric 33/34 Rotor Oven, identified as E-17 rated at 45 KW;

(9) Welding Operation which consists of four (4) metal inert gas (MIG) welding stations, capable of using a total of 2.8 pounds of weld wire per hour; two (2) stick welding stations capable of using 1.74 pounds of weld wire per hour; and three (3) oxyacetylene flame cutting with a total cutting rate of 25 inches per minute.

(b) Existing Permitted Equipment:

(1) Ten (10) natural gas-fired space heaters, with a total heat input rating of 7.4 million British Thermal Units per hour (mmBtu/hr).

(2) One (1) 50 MT Starters Dip Tank, identified as E-13, capable of coating a maximum of 1,020 parts per hour;

(3) One (1) 50 MT Starters Field and Frame Dip Tank, identified as E-14, capable of coating a maximum of 1,020 parts per hour; and

(4) One (1) 50 MT Starters Field Frame Painting, identified as E-15, capable of coating a maximum of 1,020 parts per hour.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards

D.1.1 Volatile Organic Compounds (VOC) [326 IAC 8-2-9]

a) Pursuant to 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations), the volatile organic compound (VOC) content of the extreme performance coatings applied to armatures, field coils, stators at the Rotor Flowcoater, E-9; Field Coil Flowcoater, E-10; and at the 50 DN Stators Dip Tank, E-12 shall be limited to 3.5 pounds per gallon less

water:

(b) The VOC limit in this condition shall be determined on a daily-volume- weighted average, using the following equation:

$$\frac{\text{Lb VOC}}{\text{Gallon less water}} = \frac{\sum \text{coatings } [D * O * Q] / [1 - w * Dc/Dw]}{\sum C}$$

Where:
Dc = density of coating, lb/gal
Dw = density of water, 8.33 lb/gal
O = weight percent organics, %
W = percent volume water, %
Q = quantity of coating, gal/unit
C = total coatings used, gal/unit

(c) Pursuant to 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations), solvent sprayed from the application equipment during clean up or color changes shall be directed into containers. Such containers shall be closed as soon as such solvent spraying is complete, and the waste solvent shall be disposed of in such a manner that evaporation is minimized.

(d) The actual VOC emissions from the Alternators 26/30 Dip Tank, E-7; Alternators 33/34 Dip Tank, E-8; Stator Flowcoater, E-11; 50 MT Starters Dip Tank, E-13; 50 MT Starters Field & Frame Dip Tank, E-14; and the 50 MT Starters Field & Painting, E-15 are each less than fifteen (15) pounds per day before add-on control. Therefore, 326 IAC 8-2-9 (Miscellaneous Metal Coating) does not apply. Any change or modification which may increase the actual VOC emissions to fifteen (15) pounds per day from each emission unit mentioned in this section shall obtain OAQ approval before such change may occur and will be subject to 326 IAC 8-2-9.

D.1.2 Particulate Matter (PM) Emissions [326 IAC 6-3]

Pursuant to 326 IAC 6-3, the PM emissions from the following facilities shall be limited as follows:

Weld Type	Process Weight Rate (ton/hr)	PM Emission Limit (lb/hr)
MIG	0.0014	0.551
Stick	0.00087	0.551

The above PM emission limits shall be determined using the following equation:

Interpolation and extrapolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$$E = 4.10\ P^{0.67}$$

where E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

D.1.3 Preventive Maintenance Plan [326 IAC 1-6-3]

A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit, is required for this emissions unit and any control devices.

Compliance Determination Requirements

D.1.4 Testing Requirements [326 IAC 2-1.1-11]

The Permittee is not required to test this emissions unit by this permit. However, the Commissioner reserves the right to invoke its authority under 326 IAC 2-1.1-11 to require stack testing, monitoring or reporting at any time to assure compliance with all applicable requirements. If testing is required by IDEM compliance with the VOC limits specified in Condition D.1.1 shall be determined by a performance test conducted in accordance with Section C - Performance Testing.

D.1.5 Volatile Organic Compounds (VOC)

Compliance with the VOC content and usage limitations contained in Conditions D.1.1 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) using formulation data supplied by the coating manufacturer. IDEM, OAQ, and Anderson Office of Air Management reserves the authority to determine compliance using Method 24 in conjunction with the analytical procedures specified in 326 IAC 8-1-4.

Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.6 Record Keeping Requirements

(a) To document compliance with Conditions D.1.1, the Permittee shall maintain records in accordance with (1) through (6) below. Records maintained for (1) through (6) shall be taken daily and shall be complete and sufficient to establish compliance with the VOC usage limits and/or the VOC emission limits established in Condition D.1.1.

(1) The amount and VOC content of each coating material and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) A log of the dates of use;

(3) The volume weighted VOC content of the coatings used for each day from the Rotor Flowcoater, E-9; Field Coil Flowcoater, E-10; and 50 DN Stators Dip Tank, E-12.

(4) The actual VOC usage for each day from the Alternators 26/30 Dip Tank, E-7; Alternators 33/34 Dip Tank, E-8; Stators Flowcoater, E-11; 50 MT Starters Dip Tank, E-13; 50 MT Starters Field & Frame Dip Tank, E-14 and the 50 MT Starters Field & Painting E-15.

(5) The cleanup solvent usage for each day;

(6) The total VOC usage for each day; and

(7) The weight of VOCs emitted for each compliance period.

(b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.7 Reporting Requirements

The Permittee is not required to submit reports on these facilities by this permit. However, IDEM may require reporting when necessary to determine if the facility in compliance. If reporting is required by IDEM, reports shall be submitted in accordance with Section C - Reporting Requirements.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
and
Anderson Office of Air Management

MINOR SOURCE OPERATING PERMIT
ANNUAL NOTIFICATION

This form should be used to comply with the notification requirements under 326 IAC 2-6.1-5(a)(5).

Company Name:	**Delco Remy America, LLC**
Address:	**7825 American Way**
City:	**Anderson**
Phone #:	**(765) 779-5550**
MSOP #:	**095-14815-00105**

I hereby certify that **Delco Remy America, LLC** is **9** still in operation.
9 no longer in operation.

I hereby certify that **Delco Remy America, LLC** is **9** in compliance with the requirements of **MSOP 095-14815-00105.**
9 not in compliance with the requirements of **MSOP 095-14815-00105.**

Authorized Individual (typed):
Title:
Signature:
Date:

If there are any conditions or requirements for which the source is not in compliance, provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be achieved.

Noncompliance:

MALFUNCTION REPORT

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
FAX NUMBER - 317 233-5967

This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

THIS FACILITY MEETS THE APPLICABILITY REQUIREMENTS BECAUSE IT HAS POTENTIAL TO EMIT 25 TONS/YEAR PARTICULATE MATTER ?_____, 25 TONS/YEAR SULFUR DIOXIDE ?_____, 25 TONS/YEAR NITROGEN OXIDES?_____, 25 TONS/YEAR VOC ?_____, 25 TONS/YEAR HYDROGEN SULFIDE ?_____, 25 TONS/YEAR TOTAL REDUCED SULFUR ?_____, 25 TONS/YEAR REDUCED SULFUR COMPOUNDS ?_____, 25 TONS/YEAR FLUORIDES ?_____, 100TONS/YEAR CARBON MONOXIDE ?_____, 10 TONS/YEAR ANY SINGLE HAZARDOUS AIR POLLUTANT ?_____, 25 TONS/YEAR ANY COMBINATION HAZARDOUS AIR POLLUTANT ?_____, 1 TON/YEAR LEAD OR LEAD COMPOUNDS MEASURED AS ELEMENTAL LEAD ?_____, OR IS A SOURCE LISTED UNDER 326 IAC 2-5.1-3(2) ?_____. EMISSIONS FROM MALFUNCTIONING CONTROL EQUIPMENT OR PROCESS EQUIPMENT CAUSED EMISSIONS IN EXCESS OF APPLICABLE LIMITATION _____.

THIS MALFUNCTION RESULTED IN A VIOLATION OF: 326 IAC _____ OR, PERMIT CONDITION # _____ AND/OR PERMIT LIMIT OF _____

THIS INCIDENT MEETS THE DEFINITION OF 'MALFUNCTION' AS LISTED ON REVERSE SIDE ? Y N

THIS MALFUNCTION IS OR WILL BE LONGER THAN THE ONE (1) HOUR REPORTING REQUIREMENT ? Y N

COMPANY: Delco Remy America, LLC PHONE NO. (765) 779 -5550
LOCATION: (CITY AND COUNTY) Anderson, Madison
PERMIT NO. MSOP 095-14815 AFS PLANT ID: 095-00105 AFS POINT ID: _____
INSP:_____
CONTROL/PROCESS DEVICE WHICH MALFUNCTIONED AND REASON:_____

DATE/TIME MALFUNCTION STARTED: _____/_____/ 19____ _____ AM / PM

ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONDITION: _____

DATE/TIME CONTROL EQUIPMENT BACK-IN SERVICE_____/_____/ 19____ _____ AM/PM

TYPE OF POLLUTANTS EMITTED: TSP, PM-10, SO2, VOC, OTHER:_____

ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFUNCTION: _____

_____

MEASURES TAKEN TO MINIMIZE EMISSIONS:_____

REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REPAIRS:

CONTINUED OPERATION REQUIRED TO PROVIDE ESSENTIAL* SERVICES:_____
CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO PERSONS:_____
CONTINUED OPERATION NECESSARY TO PREVENT SEVERE DAMAGE TO EQUIPMENT:_____
INTERIM CONTROL MEASURES: (IF APPLICABLE)_____
_____
_____

MALFUNCTION REPORTED BY:_____TITLE:_____
(SIGNATURE IF FAXED)

MALFUNCTION RECORDED BY:_____DATE:_____TIME:_____

*SEE PAGE 2

Please note - This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

326 IAC 1-6-1 Applicability of rule

Sec. 1. This rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.

326 IAC 1-2-39 "Malfunction" definition

Sec. 39. Any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner.

***Essential services** are interpreted to mean those operations, such as, the providing of electricity by power plants. Continued operation solely for the economic benefit of the owner or operator shall not be sufficient reason why a facility cannot be shutdown during a control equipment shutdown.

If this item is checked on the front, please explain rationale:

_____

_____

Indiana Department of Environmental Management
Office of Air Quality
and
Anderson Office of Air Management

Technical Support Document (TSD) for New Source Review and Minor Source Operating Permit

Source Background and Description

Source Name:	Delco Remy America
Source Location:	7825 American Way, Anderson, Indiana 46011
County:	Madison
SIC Code:	3714
Registration No.:	095-14815-00105
Permit Reviewer:	Aida De Guzman

The Office of Air Quality (OAQ) has reviewed an application from Delco Remy America relating to the construction and operation of the following new and existing permitted equipment, used in the assembly of offsite manufactured armatures, field coils, housing and solenoid to form the heavy and light duty starter motors:

(a) New Equipment:

(1) One (1) 26/30 Alternators Dip Tank, identified as E-7 capable of coating a maximum of 100 parts per hour;

(2) One (1) 33/34 Alternators Dip Tank, identified as E-8 capable of coating a maximum of 600 parts per hour;

(3) One (1) Rotors Flowcoater, identified as E-9 with a maximum capacity of 4,000 pounds of parts per hour, equipped with an electric drying oven rated at 72 kilowatts (KW);

(4) One (1) Field Coils Flowcoater, identified as E-10 with a maximum capacity of 590 pounds of parts per hour, equipped with an electric drying oven rated at 72 KW;

(5) One (1) Stators Flowcoater, identified as E-11 with a maximum capacity of 320 pounds of parts per hour, equipped with an electric drying oven rated at 72 KW;

(6) One (1) 50 DN Stators Dip Tank, identified as E-12 capable of coating a maximum of 100 parts per hour;

(7) One (1) electric 50 DN Stator Oven, identified as E-16 rated at 24 KW;

(8) One (1) electric 33/34 Rotor Oven, identified as E-17 rated at 45 KW;

(9) Welding Operation which consists of four (4) metal inert gas (MIG) welding

stations, capable of using a total of 2.8 pounds of weld wire per hour; two (2) stick welding stations capable of using 1.74 pounds of weld wire per hour; and three (3) oxyacetylene flame cutting with a total cutting rate of 25 inches per minute.

(b) Existing Permitted Equipment:

(1) Ten (10) natural gas-fired space heaters, with a total heat input rating of 7.4 million British Thermal Units per hour (mmBtu/hr).

(2) One (1) 50 MT Starters Dip Tank, identified as E-13, capable of coating a maximum of 1,020 parts per hour;

(3) One (1) 50 MT Starters Field and Frame Dip Tank, identified as E-14, capable of coating a maximum of 1,020 parts per hour; and

(4) One (1) 50 MT Starters Field Frame Painting, identified as E-15, capable of coating a maximum of 1,020 parts per hour.

Existing Approvals

The source has been operating under previous approvals including, but not limited to, the following:

(a) Registration - CP 095-9703-00105, issued on November 20, 1997. The source has been re-registered under 095-12445-00105, issued on August 21, 2000.

Source Definition

The following five (5) plants were determined to be separate from one another in a Registration 095-12445-00105 issued to the source on August 21, 2000:

(a) Plant 1 is located at 6512 Production Road. This plant is used for engine testing for prototypes stator motors, with a Standard Industrial Classification (SIC) code 8734. It is located approximately 8 miles from plant 3 (7825 American Way), 1/4 mile from plant 2, 5 miles from plant 5 and 6 miles from plant 4.

(b) Plant 2 is located at 6628 Production Road. This plant assembles heavy duty-alternators, with an SIC code 3714.

(c) Plant 3 in this application is located at 7825 American Way. This plant assembles light and heavy duty stator motors, with an SIC code of 3714. It is located approximately 7½ miles from plants 4 and 5, and 8 miles from plants 1 and 2.

(d) Delco Remy America , Inc. Plant 4, is currently empty because all its existing emission units were removed. This plant is now called iPower Technologies, LLC which is being permitted under permit (095-14781-00106) is located at Independence Park, 1819 West 38th Street. This plant tests and manufactures stator motors, with SIC code 8734. It is located approximately 1½ mile from plant 5, 6 miles from plants 1 and 2, and 7½ miles from plant 3.

(e) Plant 5 is located at 4640 Pendleton Avenue. This plant assembles engine alternator and other engine components, with SIC code 3714. It is located approximately 1½ mile from plant 4.

These five (5) plants are all owned by one (1) company. Three (3) plants have the same SIC Code of 3714, and two (2) plants have the same SIC Code of 8734 . There are no parts or product being transferred from one plant to another plant for further processing, and therefore, there is no support relationship between the plants.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (^{0}F)
E-7	26/30 Dip Tank	34	1	2,000	ambient
E-8	33/34 Dip Tank	34	1	2,000	ambient
E-9	Rotor Flowcoater	34	1.25	2,000	250
E-10	Field Coil Flowcoater	34	1.25	2,000	250
E-11	Stator Flowcoater	34	1.25	2,000	250
E-12	50 DN Stators Dip Tank	34	1	2,000	ambient
E-13	50 MT Starters Dip Tank	34	1	2,000	ambient
E-14	50 MT Starters Field & Frame Dip tank	34	1	2,000	ambient
E-15	50 MT Starters Field Frame Painting	34	1	2,000	ambient
E-16	50 DN Oven	34	1.25	2,000	250
E-17	33/34 Oven	34	1.25	2,000	250

Recommendation

The staff recommends to the Commissioner that the construction and operation be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on August 20 2001. A revised application was received on September 17, 2001, and additional information was received via e-mail on September 24, 2001.

Emission Calculations

(a) Surface Coating Emissions: See Pages 1 of 3 and 2 of 3 TSD Appendix A for detailed calculations.

(b) Natural gas Combustion Emissions: See Page 3 of 3 TSD Appendix A for detailed calculations.

(c) Welding Operation: Using SARA Guide emission factor
(1)

Weld Type	No. of Stations	Throughput	Emission Factor (lbPM/lb wire)	PM/PM10 Emissions
MIG	4.0	0.7lb/hr/station	0.0055	0.07
Stick	2	1.74 lb/hr*	0.0359	0.27

* 12 elec/hr * 72.5 grams * ton/1x10^6 * 2000 lb/ton = 1.74 lb/hr

Methodology:
PM/PM10 = throughput, lb/hr * Ef, lb/lb wire * 8760 hr/yr * ton/2000 lb

(2) Oxyacetylene Flame Cutting: Using SARA Guide Emission Factor

Throughput = 3 stations * 0.5 in/1 in * 60 min/hr * 25 in/min * 8760 hr/yr * 1/1000
= 19,710 K in/yr

PM/PM10 = 19,710 K in/yr * 0.1622 lb/K in * ton/2000 lb
= 1.59 ton/yr

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA, the department, or the appropriate local air pollution control agency."

Pollutant	New Emission Units Potential To Emit (tons/year)	Existing Emission Units Potential To Emit (tons/year)	Total Potential To Emit (tons/year)
PM	0.0	0.1	0.1
PM-10	0.0	0.2	0.2
SO_2	0.0	0.0	0.0
VOC	61.23	4.85	66.08
CO	0.0	2.7	2.7
NO_x	0.0	3.2	3.2

HAP's	New Emission Units Potential To Emit (tons/year)	Existing Emission Units Potential To Emit (tons/year)	Total Potential To Emit (tons/year)
Toluene	0.73	0.0	0.73
MEK	0.0	0.42	0.42
Xylene	2.82	3.62	6.44
Ethyl Benzene	0.61	0.85	1.45
TOTAL Single HAP	2.81	3.62	6.43
TOTAL Combined HAPs	4.15	4.89	9.04

Justification For Level of Approval

The potential to emit (as defined in 326 IAC 2-7-1(29)) of volatile organic compounds (VOC) are greater than 25 tons per year. Therefore, the source is subject to the provisions of 326 2-6-1 Minor Source Operating Permit (MSOP). The MSOP will allow the source to construct and operate the new emission units.

Limited Potential to Emit

The table below summarizes the total potential to emit, reflecting all limits, of the significant emission units.

	Limited Potential to Emit (tons/year)							
Process/facility	PM	PM-10	SO_2	VOC	CO	NO_X	Single HAP	Combined HAPs
New Dip Tanks	0.0	0.0	0.0	61.23	0.0	0.0	2.81	4.15
Existing Dip Tanks & Painting Operations:	0.0	0.0	0.0	4.65	0.0	0.0	3.62	4.89
Existing Space Heaters	0.1	0.2	0.0	0.2	2.7	3.2	0.0	0.0
Total Emissions	0.1	0.2	0.0	66.08	2.7	3.2	6.43	9.04

***** worst HAP

County Attainment Status

The source is located in Madison County.

Pollutant	Status
PM-10	attainment
SO_2	attainment
NO_2	attainment
Ozone	attainment
CO	attainment
Lead	not determined

(a) Volatile organic compounds (VOC) and oxides of nitrogen (NOx) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Madison County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

(b) Madison County has been classified as attainment or unclassifiable for all the other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

Source Status

The whole source is being **re-permitted** based on the new permitting rule, 326 IAC 2, approved on December 25, 1998. The source PSD Definition determined in this permit (emissions after control from the new emission units plus the existing emission units):

Pollutant	Emissions (ton/yr)
PM	0.1
PM10	0.2
SO_2	0.0
VOC	66.08
CO	2.7
NO_x	3.2
Single HAP	6.43
Combination HAPs	9.04

(a) This re-permitted source is **not** a major stationary source because no attainment pollutant is emitted at a rate of 250 tons per year or greater and it is not in one of the 28 listed source categories. Therefore, pursuant to 326 IAC 2-2, and 40 CFR 52.21, the PSD requirements do not apply.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)
This **re-permitted** source is not subject to the Part 70 Permit requirements because the potential to emit (PTE) of:
(1) each criteria pollutant is less than 100 tons per year,
(2) no single hazardous air pollutant (HAP) is emitted at a rate of 10 tons per year or greater, or
(3) no combined hazardous air pollutant (HAP) is emitted at a rate of 25 tons per year or greater.

The re-permitting of the source includes the construction of new equipment.

Federal Rule Applicability

(a) New Source Performance Standards (NSPS) (326 IAC 12 and 40 CFR Part 60):

(1) 40 CFR Part 60.460, Subpart TT- Standards of Performance for Metal Coil Surface Coating. This rule applies to the following affected facilities in a metal coil surface coating operation: each prime coat operation, each finish coat operation, and each prime and finish operation combined when the finish coat is applied wet on wet over the prime coat and both coatings are cured simultaneously.

This NSPS is not applicable to the source because the Field Coils metal being coated is already in the finished product stage. The metal is not in a flat metal strip or sheet that comes in rolls or coils.

(2) There are no other New Source Performance Standards (NSPS) that may possibly be applicable to this source.

(b) National Emission Standards for Hazardous Air Pollutants
There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs)(326 IAC 14 and 40 CFR Part 63) applicable to this source.

State Rule Applicability - Entire Source

(a) 326 IAC 2-6 (Emission Reporting)
This source, which is located in a county that is not listed in the rule, is not subject to 326 IAC 2-6 (Emission Reporting), because its VOC potential to emit is less than one hundred (100) tons per year.

(b) 326 IAC 5-1 (Visible Emissions Limitations)
Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Exemptions), opacity shall meet the following, unless otherwise stated in this permit:

(1) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

(2) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

State Rule Applicability - Individual Facilities

(a) 326 IAC 8-2-4 (Coil Coating Operation)
This rule establishes VOC emission Limitations for coating of any flat metal sheets or strips that comes in rolls or coils.

This rule does **not** apply to the Field Coils Flowcoater, because the coil being coated is already in a finished product stage. The metal is not in a flat metal strip or sheet that comes in rolls or coils.

(b) 326 IAC 8-2-9 (Miscellaneous Metal Coating)

(1) The new one (1) 26/30 Alternators Dip Tank, identified as E-7 is **not** subject to 326 IAC 8-2-9, because its actual VOC emissions are less than fifteen pounds per day.

(2) The new one (1) Alternators 33/34 Dip Tank, identified as E-8 is **not** subject to 326 IAC 8-2-9, because its actual VOC emissions are less than fifteen pounds per day.

(3) The new one (1) Stator Flowcoater, identified as E-11 is **not** subject to 326 IAC 8-2-9, because its actual VOC emissions are less than fifteen pounds per day.

(4) The following existing facilities: one (1) 50 MT Starters Dip Tank, identified as E-13, one (1) 50 MT Starters Field and Frame Dip Tank, identified as E-14, and one (1) 50 MT Starters Field and Frame painting, identified as E-15 are **not** subject to 326 IAC 8-2-9 because their VOC actual emissions are at levels less than 15 pounds per day.

(5) The new one (1) Rotor Flowcoater, identified as E-9 has an actual VOC emissions at levels greater than 15 pounds per day. Therefore, it is subject to 326 IAC 8-2-9.

(6) The new one (1) Field Coil Flowcoater, identified as E-10 has an actual VOC emissions at levels greater than 15 pounds per day. Therefore, it is subject to 326 IAC 8-2-9.

(7) The new one (1) 50 DN Stators Dip Tank, identified as E-12 has an actual VOC emissions at levels greater than 15 pounds per day. Therefore, it is subject to 326 IAC 8-2-9.

Pursuant to 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations), the volatile organic compound (VOC) content of coating used at each of the above dip tanks (5)

through (7) shall be limited to 3.5 pounds of VOCs per gallon of coating less water, for extreme performance coatings. This limit shall be determined based on volume weighted average as follows:

$$\frac{\text{Lb VOC}}{\text{Gallon less water}} = \frac{[3\text{coatings } (D * O * Q)/(1-W * Dc/Dw)]}{3C}$$

Where:
Dc = density of coating, lb/gal
Dw = density of water, lb/gal
O = weight percent organics, %
Q = quantity of coating, gal/unit
W = percent volume water, %
C = total coatings used, gal/unit

The source is in compliance with the 3.5 lb/gal less water limit, since the coatings being used have a volume weighted average of 1.75 lb/gal less water. See page 1 of 3 TSD Appendix A for detailed calculations.

Solvent sprayed from application equipment during cleanup or color changes shall be directed into containers. Such containers shall be closed as soon as such solvent spraying is complete, and the waste solvent shall be disposed of in such a manner that evaporation is minimized.

(c) 326 IAC 2-4.1-1 (New Source Toxic control)
326 IAC 2-4.1-1 applies to major source of hazardous air pollutant. This rule does not apply to this source because it is not major for single nor combined HAPs.

(d) 326 IAC 6-2 (PM Emissions Limit for Indirect Heating Facilities)
The ten (10) natural gas-fired space heaters and the electric drying ovens are not subject to this rule, because they are not sources of indirect heating.

(e) 326 IAC 6-3 (Process Operations)
This rule mandates a PM emission limit for the welding operations using the following equation:

Interpolation and extrapolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour and P = process weight rate in tons per hour

Weld Type	Process Weight Rate (ton/hr)	PM Emission Limit (lb/hr)
MIG	0.0014 *	0.551
Stick	0.00087 *	0.551

* - for process weight rate of 0.05 ton/hr or less, the PM emission limit is 0.551.

The source is in compliance with 326 IAC 6-3 because the welding and oxyacetylene cutting operations emit less than what the rule allows.

Conclusion

The construction and operation of the new emission units, and existing equipment used in the assembly of offsite manufactured armatures, field coils, housing and solenoid to form the heavy and light duty starter motors shall be subject to the conditions of the attached **NSR/MSOP 095-14815-00105.**

Appendix A: Emissions Calculations
VOC and Particulate
From Surface Coating Operations

Company Name: Delco Remy America, LLC
Address City IN Zip: 7825 American Way, Anderson, Indiana 46013
MSOP No.: 095-14815
Plt ID: 095-00105
Reviewer: Aida De Guzman
Date Application Received: August 20, 2001

Material	Density (Lb/Gal)	Weight % Volatile (H20 & Organics)	Weight % Water	Weight % Organics	Volume % Water	Volume % Non-Volatiles (solids)	Gal of Mat. (gal/unit)	Maximum (unit/hour)	Pounds VOC per gallon of coating less water	Pounds VOC per gallon of coating	Potential VOC pounds per hour	Potential VOC pounds per day	Potential VOC tons per year	Particulate Potential (ton/yr)	lb VOC/gal solids	Transfer Efficiency	Summation Coatings	Actual Emissions (lb/day) & Hours/Day
Alternators -26/30 Dip																		
Air Dry Varnish	7.2	64.00%	0.0%	64.0%	0.0%	0.00%	0.00055	100.000	4.61	4.61	0.25	6.09	1.11	0.00	ERR	100%	0.00293216	
Thinner	7.3	82.00%	0.0%	82.0%	0.0%	0.00%	0.00055	100.000	5.95	5.95	0.33	7.86	1.43	0.00	ERR	100%	0.00375683	9.28 / 16
Alternator 33/34 Final Varnish Dip																		
Varnish	7.2	64.00%	0.0%	64.0%	0.0%	0.00%	0.00055	600.000	4.61	4.61	1.52	36.55	6.67	0.00	ERR	100%	0.00293216	
Thinner	7.3	82.00%	0.0%	82.0%	0.0%	0.00%	0.00006	600.000	5.95	5.95	0.21	5.14	0.94	0.00	ERR	100%	0.000409836	13.84 / 8
Rotor Flowcoater																		
Polyester Resin	9.0	38.00%	0.0%	38.0%	0.0%	0.00%	0.00300	600.000	3.42	3.42	6.16	147.91	26.99	0.00	ERR	100%	0.0094962	
O.P. Accelerator	8.7	100.00%	0.0%	100.0%	0.0%	0.00%	0.00003	600.000	8.67	8.67	0.16	3.75	0.68	0.00	ERR	100%	0.0002499	50.56 / 8
Coils-Field Coil Flowcoater																		
Polyester Resin	9.1	34.90%	0.0%	34.9%	0.0%	0.00%	0.00300	300.000	3.18	3.18	2.86	68.75	12.55	0.00	ERR	100%	0.00872151	
O.P. Accelerator	8.7	100.00%	0.0%	100.0%	0.0%	0.00%	0.00003	300.000	8.67	8.67	0.08	1.87	0.34	0.00	ERR	100%	0.0002499	47.04 / 16
Stators-Stator Flowcoater																		
Polyester Resin	9.1	34.90%	0.0%	34.9%	0.0%	0.00%	0.00300	100.000	3.18	3.18	0.95	22.92	4.18	0.00	ERR	100%	0.00872151	
O.P. Accelerator	8.7	100.00%	0.0%	100.0%	0.0%	0.00%	0.00003	100.000	8.67	8.67	0.03	0.62	0.11	0.00	ERR	100%	0.0002499	11.76 / 12
Stators 50 DN Dip										0.00								
Thermopoxy	9.3	0.00%	0.0%	0.0%	0.0%	0.00%	0.01763	100.000	0.00	0.00	0.00	0.00	0.00	0.00	ERR	100%	0	
Thinner/Activator	8.1	100.00%	0.0%	100.0%	0.0%	0.00%	0.00176	100.000	8.08	8.08	1.42	34.13	6.23	0.00	ERR	100%	0.0146608	17.04 / 12
Starters 50 MT Dip																		
Varnish	7.8	44.70%	0.0%	44.7%	0.0%	0.00%	0.00010	1020.000	3.49	3.49	0.36	8.55	1.56	0.00	ERR	100%	0.000372351	
Thinner	7.3	100.00%	0.0%	100.0%	0.0%	0.00%	0.00001	1020.000	7.26	7.26	0.07	1.78	0.32	0.00	ERR	100%	0.0000833	6.88 / 16
50 MT Field & Frame Dip																		
Varnish	7.8	44.70%	0.0%	44.7%	0.0%	0.00%	0.00010	1020.000	3.49	3.49	0.36	8.55	1.56	0.00	ERR	100%	0.000372351	
Thinner	7.3	100.00%	0.0%	100.0%	0.0%	0.00%	0.00001	1020.000	7.26	7.26	0.07	1.78	0.32	0.00	ERR	100%	0.0000833	6.88 / 16
50 MT Field & Frame Painting																		
Dark Red Sealer	9.7	12.50%	0.0%	12.5%	0.0%	0.00%	0.00010	1020.000	1.21	1.21	0.12	2.96	0.54	0.00	ERR	100%	0.000104125	
Thinner	7.3	100.00%	0.0%	100.0%	0.0%	0.00%	0.00001	1020.000	7.26	7.26	0.07	1.78	0.32	0.00	ERR	100%	0.0000833	3.04 / 16
State Potential Emissions			**Add worst case coating to all solvents**				**0.03052**				**15.04**	**360.97**	**65.88**	**0.00**			**0.053479433**	
METHODOLOGY							**Volume Weighted Ave.**		**1.75**									

Summation Coatings = Sum Coatings (Densitycoat * Wt % Org. * quantity of coatings, gal/unit) / (1-vol % water * Densitycoat/density water)
Volume Weighted Average = Summation Coatings / Total coatings Used
Pounds of VOC per Gallon Coating less Water = (Density (lb/gal) * Weight % Organics) / (1-Volume % water)
Pounds of VOC per Gallon Coating = (Density (lb/gal) * Weight % Organics)
Potential VOC Pounds per Hour = Pounds of VOC per Gallon coating (lb/gal) * Gal of Material (gal/unit) * Maximum (units/hr)
Potential VOC Pounds per Day = Pounds of VOC per Gallon coating (lb/gal) * Gal of Material (gal/unit) * Maximum (units/hr) * (24 hr/day)
Potential VOC Tons per Year = Pounds of VOC per Gallon coating (lb/gal) * Gal of Material (gal/unit) * Maximum (units/hr) * (8760 hr/yr) * (1 ton/2000 lbs)
Particulate Potential Tons per Year = (units/hour) * (gal/unit) * (lbs/gal) * (1- Weight % Volatiles) * (1-Transfer efficiency) *(8760 hrs/yr) *(1 ton/2000 lbs)
Pounds VOC per Gallon of Solids = (Density (lbs/gal) * Weight % organics) / (Volume % solids)
Total = Worst Coating + Sum of all solvents used

Appendix A: Emissions Calculations
Natural Gas Combustion Only
MM BTU/HR <100
Small Industrial Boiler

Company Name: Delco Remy America
Address City IN Zip: 7825 American Way, Anderson, Indiana
MSOP No.: 095-14815
Plt ID: 095-00105
Reviewer: Aida De Guzman
Received Date: August 20, 2001

Heat Input Capacity MMBtu/hr	Potential Throughput MMCF/yr
7.4	64.8

	Pollutant					
	PM*	PM10*	SO2	NOx	VOC	CO
Emission Factor in lb/MMCF	1.9	7.6	0.6	100.0 **see below	5.5	84.0
Potential Emission in tons/yr	0.1	0.2	0.0	3.2	0.2	2.7

*PM emission factor is filterable PM only. PM10 emission factor is filterable and condensable PM10 combined.
**Emission Factors for NOx: Uncontrolled = 100, Low NOx Burner = 50, Low NOx Burners/Flue gas recirculation = 32

Methodology

All emission factors are based on normal firing.
MMBtu = 1,000,000 Btu
MMCF = 1,000,000 Cubic Feet of Gas

Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu
Emission Factors are from AP 42, Chapter 1.4, Tables 1.4-1, 1.4-2, 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (SUPPLEMENT D 3/98)
Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton
Note: Check the applicable rules and test methods for PM and PM10 when using the above emission factors to confirm that the correct factor is used (i.e., condensable included/not included).

Appendix A: Emission Calculations
HAP Emission Calculations

Company Name: Delco Remy America, LLC
Address City IN Zip: 7825 American Way, Anderson, IN46013
MSOP No.: 095-14815
Plt ID: 095-00105
Permit Reviewer: Aida De Guzman
Date Application Received: August 20, 2001

Material	Density	Gallons of Material	Maximum	Weight %	Weight %	Weight %	Weight %	Xylene Emissions	Toluene Emissions	Ethyl Benzene Emissions	MEK Emissions
	(Lb/Gal)	(gal/unit)	(unit/hour)	Xylene	Toluene	Ethyl Benzene	MEK	(ton/yr)	(ton/yr)	(ton/yr)	(ton/yr)
Alternators-26/30 Dip											
Air Dry Varnish	7.2	0.00055	100.00	11.00%	6.00%	5.00%	0.00%	0.19	0.10	0.09	0.00
Thinner	7.3	0.000550	100.00	51.00%	0.00%	0.00%	0.00%	0.89	0.00	0.00	0.00
Alternator 33/34 Final Varnish Dip											
Air Dry varnish	7.2	0.000550	600.00	11.00%	6.00%	5.00%	0.00%	1.15	0.63	0.52	0.00
Thinner	7.3	0.000060	600.00	51.00%	0.00%	0.00%	0.00%	0.58	0.00	0.00	0.00
Rotor Flowcoater				0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
Polyester Resin	9.0	0.003000	600.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
O.P. Accelerator	8.7	0.000030	600.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
Coils-Field Coil Flowcoater				0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
Polyester Resin	9.1	0.003000	300.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
O.P. Accelerator	8.7	0.000030	300.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
Stators-Stator Flowcoater											
Polyester Resin	9.1	0.003000	100.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
O.P. Accelerator	8.7	0.000030	100.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
Stators 50 DN Dip											
Thermopoxy	9.3	0.017630	100.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
Thinner/Activator	8.1	0.001760	100.00	0.00%	0.00%	0.00%	0.00%	0.00	0.00	0.00	0.00
Starters 50 MT Dip											
Varnish	7.8	0.000100	1020.00	38.00%	0.00%	12.00%	6.00%	1.33	0.00	0.42	0.21
Thinner	7.3	0.000010	1020.00	100.00%	0.00%	0.00%	0.00%	0.32	0.00	0.00	0.00
50 MT Field & Frame Dip											
Varnish	7.8	0.000100	1020.00	38.00%	0.00%	12.00%	6.00%	1.33	0.00	0.42	0.21
Thinner	7.3	0.000010	1020.00	100.00%	0.00%	0.00%	0.00%	0.32	0.00	0.00	0.00
50 MT Field & Frame Painting											
Dark Red Sealer	9.7	0.000100	1020.00	5.56%	0.00%	0.14%	0.00%	0.00	0.00	0.01	0.00
Thinner	7.3	0.000010	1020.00	100.00%	0.00%	0.00%	0.00%	0.32	0.00	0.00	0.00
Total State Potential Emissions								6.44	0.73	1.45	0.42
						Worst Single HAP				6.44	
METHODOLOGY						Combined HAPs				9.04	

HAPS emission rate (tons/yr) = Density (lb/gal) * Gal of Material (gal/unit) * Maximum (unit/hr) * Weight % HAP * 8760 hrs/yr * 1 ton/2000 lbs